

**HUMAN SERVICES DEPARTMENT[441]****Adopted and Filed Emergency**

Pursuant to the authority of Iowa Code section 217.6, the Department of Human Services amends Chapter 150, "Purchase of Service," Iowa Administrative Code.

This amendment:

- Implements a decrease in the reimbursement rate for supervised apartment living services provided from January 1, 2010, to June 30, 2010. During this period, the maximum reimbursement shall be the rates in effect on December 1, 2009, reduced by 5 percent. This reduction is necessary to achieve the savings required by Executive Order Number 19, which mandated a 10 percent across-the-board cut in expenditures.

- Clarifies that rates will not be adjusted if a provider adds a new service. The initial reimbursement rate for any new service shall be based upon actual and allowable costs.

This amendment does not provide for waivers in specified situations. Needed savings will not be realized if waivers are granted. Requests for the waiver of any rule may be submitted under the Department's general rule on exceptions at 441—1.8(17A,217).

The Council on Human Services adopted this amendment on December 9, 2009.

The Department finds that notice and public participation are impracticable and contrary to the public interest. The Department is statutorily and constitutionally required to reduce spending obligations to the level of constitutionally authorized appropriations. Deeper cuts would be required if the Department were to delay taking action to allow for notice and public participation. Therefore, this amendment is filed pursuant to Iowa Code section 17A.4(3).

The Department also finds, pursuant to Iowa Code section 17A.5(2)"b"(2) and (3), that avoidance of deficit spending confers a public benefit and that the immediate efficacy of this amendment is necessary because of the presently existing constitutional peril to the public welfare caused by spending obligations which exceed available revenues. Therefore, the normal effective date of this amendment is waived.

This amendment is also published herein under Notice of Intended Action as **ARC 8448B** to allow for public comment.

This amendment is intended to implement Iowa Code section 234.6 and Executive Order Number 19.

This amendment became effective on January 1, 2010.

The following amendment is adopted.

Amend subparagraphs **150.3(5)"p"(2)** and **(3)** as follows:

(2) ~~For the fiscal year beginning July 1, 2008~~ Effective for the period from January 1, 2010, to June 30, 2010, the maximum reimbursement rates for services provided under a purchase of social service agency contract (~~shelter care and for supervised apartment living~~) shall be ~~increased to~~ decreased by 5 percent over of the rates in effect on June 30, 2008, or increased to the provider's actual and allowable cost plus inflation, whichever is less December 1, 2009.

(3) ~~The rates may be adjusted if a new service is added after June 30, 2008.~~ The initial reimbursement rate for the any new service shall be based upon actual and allowable costs. A new service does not include a new building or location or other changes in method of service delivery for a service currently provided under the contract.

1. to 3. No change.

[Filed Emergency 12/11/09, effective 1/1/10]

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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 1/13/10.